

6/22/77 [1]

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THE PRESIDENT'S SCHEDULE

Wednesday - June 22, 1977

7:30 Dr. Zbigniew Brzezinski - The Oval Office.

✓ 8:00 Meeting with the House Ways and Means
(60 min.) Committee. (Mr. Frank Moore) State Dining Room.

9:20 Ambassador John West. (Dr. Zbigniew Brzezinski).
(10 min.) The Oval Office.

10:00 Signing Ceremony for H.R. 5840, Anti-Boycott
(15 min.) Legislation. (Mr. Frank Moore).
The Rose Garden.

11:00 Arrival Ceremony for The Right Honorable
John M. Fraser, C.H., M.P., The Prime Minister
of Australia and Mrs. Fraser - The South Grounds.

11:30 Meeting with Prime Minister John M. Fraser.
(60 min.) (Dr. Zbigniew Brzezinski) - The Oval Office
and the Cabinet Room.

12:30 Working Luncheon with Prime Minister Fraser.
(60 min.) First Floor Family Dining Room.

2:00 Meeting with Current White House Fellows,
(15 min.) Recently Named White House Fellows, and the
Members of the President's Commission on White
House Fellowships. (Dr. Peter Bourne).
The Rose Garden.

✓ 2:30 Remarks/33rd Annual Advertising Council
(15 min.) Washington Conference. (Mr. Barry Jagoda).
The East Room.

2:45 Ms. Bessie Moody and Ms. Gladys Lee - Oval Office.
(3 min.) (Greeting)

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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 21, 1977

MEMORANDUM TO THE PRESIDENT

FROM: Peter Bourne P.B.

SUBJECT: Meeting with current White House Fellows, the recently named new White House Fellows, and the members of the President's Commission on White House Fellowships, Wednesday, June 22, 2:00 p.m. Rose Garden.

I. Purpose

To give the outgoing and incoming fellows as well as the commissioners an opportunity to meet with you. ~~They would also like to get pictures of you with each class for use in the new brochure.~~

II. Background, Participants, Press

a. Background

The sixteen 1976-77 White House Fellows served from September 1 through January 20 in President Ford's Administration and since that time have served principals in the Carter Administration. They were chosen in May of 1976 from among a total set of applicants of 1,334.

The fourteen 1977-78 Fellows, who will begin their service in this Administration September 1 were proposed to the President by the new Commission appointed by him in May of this year. The new Chairman, John Gardner, will be at the meeting.

Primary in the year-long White House Fellowship is the experience of working directly for a member of the Cabinet, a senior White House staff member, or the Vice President. Each Fellow is paid by the employing agency. Supplementing and integrating the various work experiences is the education program which enables the Fellows to meet as a group, share their experiences and hear directly from a number of the leaders in all three branches of the Federal Government.

b. Participants - See above.

c. Press - Open for coverage.

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MEMORANDUM TO THE PRESIDENT

FROM: Peter Bourne

SUBJECT: WHITE HOUSE FELLOWS, WEDNESDAY, JUNE 22, 2:00 p.m.
ROSE GARDEN.

III. Talking Points

- a. John Gardner - new Chairman of Commission
 1. Intellectual force behind creation of program.
 2. As Cabinet officer used Fellows in a meaningful way.
- b. 1976-77 Fellows need to be complimented on the excellent manner in which they went through trauma of transition.
- c. Program must be maintained as a program of high quality and it must be non-partisan.
- d. When I met with Fellows as Governor of Georgia I was impressed with high quality.
- e. I welcome the new group and expect it to strive hard through the coming year to match the level of its predecessors. I look forward to working and meeting with you during the next year.

PGB:ss

I am very disappointed that because of the sudden acceptance of President Lopez-Michelsen to meet with me tomorrow I will not be able to attend this meeting. I think the White House Fellows program can be a great asset to you, and hope you will take a special interest in them.

Peter

MAY 23, 1977

Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced the appointments of the 14 1977-78 White House Fellows, the thirteenth group since the creation of the program.

The Fellows were chosen from among 1334 applicants and were screened by 11 regional panels. The President's Commission interviewed 37 national finalists before recommending the 14 persons to the President. They begin their year of service with the Federal Government on September 1.

The 1977-78 White House Fellows are:

Joseph B. Anderson, 34, formerly of Topeka, Kansas, Major, U.S. Army, attending the U.S. Army Command and General Staff College, Ft. Leavenworth, Kansas;

Gregory H. Canavan, 33, of Falls Church, Virginia, Lieutenant Colonel, U.S. Air Force, Program Manager for Advanced Laser Research, Advance Research Projects Agency, Arlington;

Martha A. Darling, 32, of Seattle, Washington, Executive Director, Governor's Select Panel on the Department of Social and Health Services, Olympia;

Nelson A. Diaz, 30, of Mt. Holly, New Jersey, Executive Director, Spanish Merchants Association, Philadelphia, Pennsylvania;

Thomas M. Downs, 33, of Leavenworth, Kansas, City Manager, City of Leavenworth;

Thomas E. Harvey, 35, of New York, New York, attorney, Milbank, Tweed, Hadley & McCloy, New York City;

Beverly J. Hawkins, 30, of Los Angeles, California, Instructor, School of Public Administration, University of Southern California, and Policy Consultant to Councilman Robert Farrell, City of Los Angeles;

Robert O. Heavner, 35, of Colorado Springs, Colorado, Major, U.S. Air Force, Associate Professor, U.S. Air Force Academy;

(MORE)

James S. Jardine, 30, of Salt Lake City, Utah,
Associate, Ray, Quinney & Nebeker, Attorneys,
Salt Lake City;

Robert R. King, 34, formerly of Wyoming, Assistant
Director of Research, Radio Free Europe, Munich,
Federal Republic of Germany;

Jack A. LeCuyer, 34, of West Point, New York, Major
U.S. Army, Instructor in Economics and International
Relations, U.S. Military Academy, West Point;

J. Stuart Lemle, 28, formerly of White Plains, New York,
Fulbright Fellow, New Delhi, India;

Louise L. Liang, M.D., 27, of Grosse Pointe Park,
Michigan, Division Head, Division of Pediatrics and
Adolescent Medicine, Henry Ford Hospital, Dearborn;

Bryant L. Young, 28, of San Francisco, California,
attorney, Dinkelspiel, Pelavin, Steefel & Levitt,
San Francisco.

* * *

The White House Fellowship program was established in 1964 to provide outstanding young Americans with firsthand experience in the process of governing the nation. It is open to U.S. citizens from all occupations and professions. (Employees of the Federal Government are not eligible, with the exception of career Armed Forces personnel.)

In addition to their educational assignments with the Vice President, members of the Cabinet, and members of the White House staff, the Fellows participate in an extensive seminar program that typically includes some 300 off-record sessions with top government officials, scholars, journalists, and leaders from various other segments of private life.

Leadership, intellectual and professional ability, and a commitment to community and nation are the broad criteria employed in the selection process.

Applications for the 1978-79 program will be available in August 1977. Application forms and additional information on the program can be obtained by sending a postcard to the President's Commission on White House Fellowships, Washington, D.C. 20415, or by calling (202) 653-6263.

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Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced the persons whom he will appoint as members of the President's Commission on White House Fellowships. They are:

Barry Bingham, Sr., chairman of the board of the Louisville (Kentucky) Courier-Journal and Louisville Times Company;

Peter G. Bourne, special assistant to the President for health issues;

John H. Brebbia, managing partner in the Washington office of Alston, Miller & Gaines;

Alan K. Campbell, chairman of the Civil Service Commission;

Marilyn B. Chandler, urban planner, Los Angeles;

Priscilla B. Collins, chairman of the board, King Broadcasting Company, Seattle, Washington;

Lloyd N. Cutler, member, Wilmer, Cutler & Pickering, Washington;

Walter G. Davis, director of education, AFL-CIO, Washington (reappointment);

Ada E. Deer, chairman, Menominee Common Stock and Voting Trust, Menominee Indian Tribe, Keshena, Wisconsin;

John W. Gardner, chairman, Common Cause, Washington;

Susan Herter, deputy U.S. representative on the executive board of UNICEF, in charge of former Vice President Rockefeller's temporary Washington office;

Carl Holman, president, National Urban Coalition, Washington;

Lady Bird Johnson, former First Lady, Stonewall, Texas;

W. Thomas Johnson, publisher, the Dallas (Texas) Times Herald;

Boisfeuillet Jones, president, Emily and Ernest Woodruff Fund, Inc., Atlanta, Georgia;

Steven Muller, president, Johns Hopkins University (reappointment);

Betty Ann Ottinger, acting assistant director of the American University Counseling Center, Washington;

Victor H. Palmieri, president, Victor Palmieri & Co., Inc. (corporate management services), Los Angeles;

Jane Cahill Pfeiffer, independent management consultant, Greenwich, Connecticut (reappointment);

Roger B. Porter, on leave from Harvard as a guest scholar at the Brookings Institution, Washington (reappointment);

William W. Scranton, former governor of Pennsylvania, former U.S. Ambassador to the United Nations (reappointment);

Julia V. Taft, former deputy assistant secretary for human development, Department of Health, Education, and Welfare (reappointment);

(MORE)

James M. Wall, editor of The Christian Century, president of The Christian Century Foundation, Elmhurst, Illinois;

Michael H. Walsh, attorney, Sheela, Lightner, Hughes & Castro, San Diego, California;

Harold Willens, member, Common Cause National Governing Board, national chairman, Businessmen's Educational Fund, chairman of the board, Factory Equipment Corporation, Los Angeles;

Vicente T. Ximenes, private consultant on employment and education, Albuquerque, New Mexico.

The President also announced that he will designate John W. Gardner as chairman of the Commission.

#

FALLOWS TALKING
POINTS

THE WHITE HOUSE

WASHINGTON

June 21, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS *Jin*
SUBJECT: White House Fellows

Rick Hertzberg suggests these talking points in addition to the ones Peter Bourne has sent you:

1. This program dates from the first year of the Johnson Administration -- a period that was as rich in creativity as any since the New Deal. Though it is a relatively small program, it has proved to be one of the most successful innovations of that time.

2. John Gardner planted the seed of this program and helped nurture it during its early years. Now he is returning as chairman of the Commission. It's a rarity in public life for someone to get a second chance to re-evaluate and recast a program he helped start after that program has reached maturity, and you might say you're especially glad that Mr. Gardner will have that chance.

3. The White House Fellows program cuts across the usual bureaucratic patterns. It provides valuable cross-fertilization. The Fellows bring fresh viewpoints to the highest levels of government. They use the government as a kind of huge graduate school. Meetings with the Fellows provide Cabinet officers and others with a rare opportunity for reflection. And the Fellows take the insights gleaned in Washington with them when they return to the careers they have interrupted.

100

THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

June 21, 1977

BILL SIGNING

EXPORT ADMINISTRATION ACT AMENDMENTS

Wednesday, June 22, 1977

The Rose Garden

10:00 a.m.

From: Frank Moore

PARTICIPANTS

See Attached List

PRESS PLAN

Full Press Coverage

The speechwriters have the background on this legislation and are preparing a statement for you.

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JEWISH -- ACCEPTANCES

The negotiators:

Alfred H. Moses
Paul S. Berger
Max Kampelman
Arnold Forster
Maxwell Greenberg

The Groups:

Anti-Defamation League:

Benjamin Epstein, National Director
Burton Joseph, National Chairman
David Brody, Washington Representative
Seymour Graubard, Former National Chairman

American Jewish Committee:

Ira Silverman
Melvin Merian
Hyman Bookbinder, Washington Representative

American Jewish Congress

Rabbi Arthur Hertzberg, National President
Naomi Levine, Executive Director
Phil Baum

American Israel Public Affairs Committee

Morris Amitay, Washington Representative

National Jewish Community Relations Advisory Council

Ted Mann
Al Chernin

Union of American Hebrew Congregations

Rabbi Alex Shindler, President

THE HILL -- ACCEPTANCES

House Members:

Zablocki, Clement J.
Hamilton, Lee H.
Rosenthal, Benjamin S.
Bingham, Jonathan B.
Solarz, Stephen J.
Whalen, Charles W., Jr.
Buchanan, James

House Staff:

George Ingram, Staff Consultant, House Committee
on International Relations
Michael V. Van Dusen, Staff Director, Subcommittee
on Europe and the Middle East, Committee on
International Relations
R. Roger Majak, Staff Director, Subcommittee on
International Economic Policy and Trade
Julian Spierer, Legislative Assistant to Congressman
Rosenthal

Senate:

Stevenson, Adlai E.
Williams, Harrison A., Jr.
Heinz, H. John, III
Schmitt, Harrison H.
Sparkman, John J.
Sarbanes, Paul S.
Brooke, Edward W.
Byrd, Robert C.

Senate Staff:

McLean, Ken
Marinaccio, Charles
Mennell, Howard
Bray, Gilbert

THE DEPARTMENTS -- ACCEPTANCES

Department of Commerce:

Homer Moyer, Deputy General Counsel
Andrew Manatos, Counsellor to the Secretary for
Congressional Affairs
Kent Knowles, Acting Assistant General Counsel for
Domestic and International Business
Stan Marcuss, Deputy Assistant Secretary for Domestic
Commerce

Department of State:

Cyrus Vance, Secretary of State
Warren Christopher, Deputy Secretary of State
Julius Katz, Assistant Secretary for Economic
and Business Affairs
David Small, Assistant Legal Advisor for Near East
and South Asian Affairs
Robert Floten, Congressional Liaison Officer
Sid Sober, Deputy Assistant Secretary, Bureau of Near
East and South Asian Affairs

BUSINESS -- ACCEPTANCES

The negotiators:

General Electric

Reginald H. Jones
Chairman of the Board

Vincent A. Johnson
Group Counsel
International & Canadian Group

City Corp.

Hans H. Angermueller
Senior Vice President and General Counsel

DuPONT de NEMOURS EI & Co.

Gerald E. Kandler
Counsel for General Legal Division

Business Roundtable

John E. Hoffman, Jr.
G. Wallace Bates
John Post

U. S. Chamber of Commerce

Richard Leshner

Emergency Committee for American Trade

Ray Garcia

Robert McNeill

National Association of Manufacturers

Larry Fox

THE WHITE HOUSE
WASHINGTON

June 22, 1977

Frank Moore -

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

Re: Call to Jimmy Burke

THE WHITE HOUSE
WASHINGTON

ACTION	FYI		
		MONDALE	<input type="checkbox"/> ENROLLED BILL
		COSTANZA	<input type="checkbox"/> AGENCY REPORT
		EIZENSTAT	<input type="checkbox"/> CAB DECISION
		JORDAN	<input type="checkbox"/> EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
	X	MOORE	Carp/Huron within
		POWELL	48 hours; due to
		WATSON	Staff Secretary
			next day

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
X	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON	<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	BOURNE	<input type="checkbox"/>	LANCE
<input type="checkbox"/>	BRZEZINSKI	<input type="checkbox"/>	LINDER
<input type="checkbox"/>	BUTLER	<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	CARP	<input type="checkbox"/>	POSTON
<input type="checkbox"/>	H. CARTER	<input type="checkbox"/>	PRESS
<input type="checkbox"/>	CLOUGH	<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	FALLOWS	<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	FIRST LADY	<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	GAMMILL	<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	HARDEN	<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	HOYT	<input type="checkbox"/>	SMITH
<input type="checkbox"/>	HUTCHESON	<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	JAGODA	<input type="checkbox"/>	WELLS
<input type="checkbox"/>	KING	<input type="checkbox"/>	VOORDE

from Frank Moore

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 21, 1977

*done
J*

RECOMMENDED TELEPHONE CALL TO JIMMY BURKE (D Mass)

BACKGROUND: Jimmy Burke is a member of the House Ways and Means Committee and one of the members of the Committee that we specifically wanted you to talk to at the meeting tomorrow morning. Burke wants the home heating oil rebate which was killed in Committee back in the bill before he will vote for the wellhead tax.

Burke, who is a diabetic, has been hospitalized with a severe foot infection and will not be at tomorrow's meeting.

PURPOSE: To extend your hope for a speedy recovery. Express your regret that he will be unable to attend the Ways and Means meeting.

DATE: Tuesday, June 21 or Wednesday, June 22. The call must be made before Thursday, June 23, when the critical votes in the Committee will begin.

CONTACT: Jimmy Burke is in Bethesda and his direct number is 295-0867.

ACTION _____

NOTE: The Chairman has Burke's general proxy. Burke will probably follow Cotter's lead.

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THE WHITE HOUSE
WASHINGTON

June 22, 1977

Stu Eizenstat -

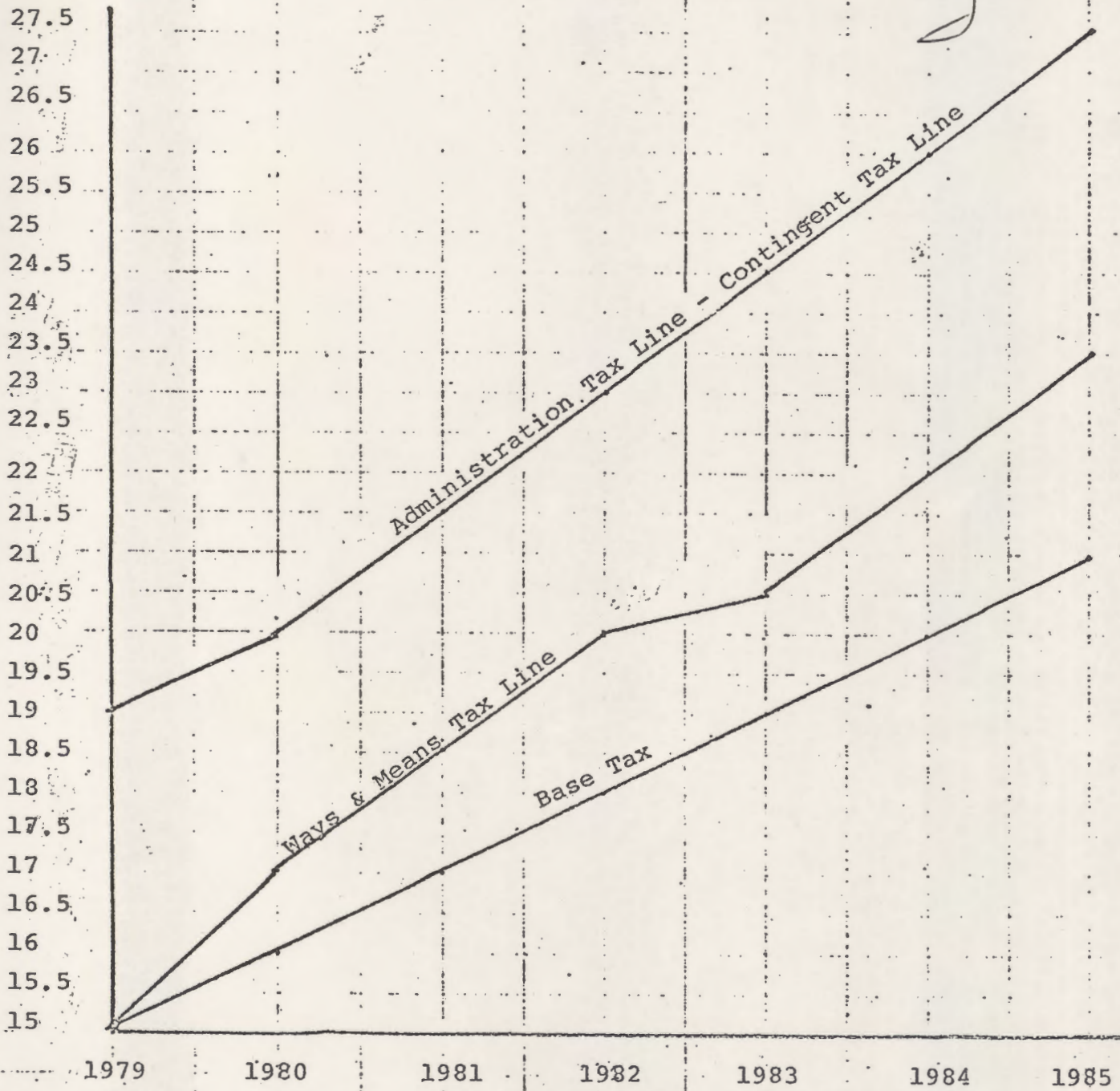
The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

Re: Tax Line

THE PRESIDENT HAS SEEN.

Stu
J



1982

Upper number In range	Administration	Ways & Means	Base Tax	Contingent Tax
23	\$ 57	0		250
22	\$120	0		300
21	\$189	0		350
20	\$266	266		400
19	\$351	369		450
18	\$446	491	500	
17	\$553	636	750	
16	\$674	809	1000	
15	\$812	1015	1250	
14	\$972	1264	1500	
13	\$1154	1565	1750	
1983				
24	\$ 57	0		250
23	\$119	0		300
22	\$188	0		350
21	\$262	0		400
20	\$345	345		450
19	\$437	459	500	
18	\$539	593	750	
17	\$653	751	1000	
16	\$782	938	1250	
15	\$929	1161	1500	
14	\$1098	1427	1750	
13	\$1294	1747	2000	
12	\$1524	2134	2250	

1984

Upper number in range	Administration	Ways & Means	Base Tax	Contingent Tax
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26	\$ 62	0		200
25	\$129	0		250
24	\$203	0		300
23	\$283	0		350
22	\$371	371		400
21	\$467	490		500
20	\$574	631	650	
19	\$693	797	800	
18	\$825	990	1000	
17	\$974	1218	1250	
16	\$1143	1486	1500	
15	\$1336	1804	1750	
14	\$1559	2183	2000	
13	\$1819	2638	2250	

1985

27	\$ 67	0		200
26	\$140	0		250
25	\$219	0		300
24	\$304	0		350
23	\$397	397		400
22	\$499	524		525
21	\$610	671	675	
20	\$733	843	850	
19	\$869	1043	1050	
18	\$1021	1276	1275	
17	\$1192	1550	1550	
16	\$1384	1868	1875	
15	\$1603	2244	2250	
14	\$1854	2688	2700	
13	\$2146	3219	3250	
12	\$2488	3856	3875	

THE WHITE HOUSE
WASHINGTON

June 22, 1977

Stu Eizenstat -

The attached was returned in the President's outbox. It is forwarded to you for appropriate action.

Rick Hutcheson

cc: The Vice President
Secretary Blumenthal
Jack Watson
Z. Brzezinski
Bert Lance
Robert Strauss

Re: Generalized Preferences and OPEC

THE WHITE HOUSE
WASHINGTON

cc Blumenthal

ACTION	FYI
<input checked="" type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input checked="" type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input checked="" type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE



THE PRESIDENT HAS SEEN.

THE SECRETARY OF THE TREASURY
WASHINGTON 20220

June 15, 1977

1977 JUN 15 PM 6 41

Sta -
Pursue VP's
Option (3) (assess)
J.C.

MEMORANDUM FOR THE PRESIDENT

FROM: W. MICHAEL BLUMENTHAL
CHAIRMAN, ECONOMIC POLICY GROUP *WMB*

SUBJECT: GENERALIZED PREFERENCES AND OPEC

At this week's Cabinet meeting you asked the EPG to evaluate policy options with respect to the current legislative exclusion of all OPEC members from the benefits of the Generalized Scheme of Preferences (GSP) contained in the 1974 Trade Act. As you know, we expect Venezuelan President Perez to raise this issue when he visits on June 28 and 29. In addition, several bills have been introduced in Congress to include some or all of the OPEC countries and we are under some pressure to provide an Administration response.

The previous Administration supported legislation to give the President authority to waive the exclusion for those OPEC countries (Venezuela, Ecuador, Indonesia, Iran, Nigeria and Gabon) that did not embargo the U.S. in 1973. However, the EPG believes that discriminatory selection among OPEC countries would not be advisable. Discrimination based on past oil policy would create invidious comparisons between those countries which embargoed in 1973 but have since shown price restraint, such as Saudi Arabia, and non-embargoing countries, such as Venezuela and Iran, which have been price "hawks." More limited discrimination in favor of the two Western hemisphere OPEC countries, Venezuela and Ecuador, creates the additional problem that this benefit could be given to one of the most affluent LDCs, Venezuela (per capita income of \$2,300), while it would be prohibited for poorer countries such as Indonesia and Nigeria (per capita income of \$170 and \$360 respectively).

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Concerning trade implications, U.S. imports from OPEC countries in 1976 of products eligible for GSP treatment were small -- \$57.5 million. Thus there is little threat to our domestic industry if we place these countries on GSP. By the same token there is no significant negative impact on the economies of the OPEC countries because of the exclusion.

The pivotal issues therefore are foreign and domestic political considerations. The OPEC exclusion from GSP has been a major irritant in our relations with the non-embargoing countries, especially in Latin America, but, to a lesser extent, with respect to Indonesia, Iran, and Nigeria as well. However, the entire GSP program is generally unpopular in Congress and any attempt to broaden it to all OPEC countries, especially in view of our current trade deficit and OPEC's aggregate financial surplus, would meet strong Congressional opposition at this time.

OPTIONS

The EPG discussion produced two options:

1. Oppose changes in the current law which excludes OPEC from GSP.

In this case you would tell President Perez that you sympathize with the problem, but that new legislation is not possible at this time. We would respond to pending bills which include OPEC members in GSP in such a way as to minimize public comparison with the last Administration's position and thereby reduce adverse foreign policy impact.

The advantages of this approach are that it is consistent with Congressional realities, and it would avoid the risk of opening up the entire GSP program to Congressional changes. On the other hand, this policy would be seen by the non-embargoing countries as a step backwards from the previous Administration's position on more limited exclusion.

2. Publicly support a waiver provision for GSP exclusion for all OPEC countries, but not actively pursue legislation until such time as the possibility of enactment appears more feasible.

This option would help remove the political irritant in our relations with OPEC, especially Venezuela and Ecuador, and would be greeted favorably by all developing countries. State believes it might mitigate the Arabs' perception of our policies as being anti-Arab following the enactment of boycott legislation. However, we would have to explain to Venezuela and others that there is virtually no chance of passage in Congress at this time. Furthermore, Congressional support for the broader GSP program could be undermined by opening it to legislative changes. In addition, there could be the perception that we are giving benefits to countries whose oil policies are damaging our economy.

DECISION

1. Oppose changes in current law which excludes OPEC from GSP. (Treasury, Commerce, Labor, CEA and Schlesinger support.)

APPROVE _____ DISAPPROVE _____

2. Publicly favor waiver authority for all OPEC countries, but not press for legislation now. (State, NSC support.)

APPROVE _____ DISAPPROVE _____

*neither - option
See VP
(3) & assess
J*

VICE PRESIDENT'S MEMO



OFFICE OF THE VICE PRESIDENT
WASHINGTON

June 20, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: THE VICE PRESIDENT

SUBJECT: GSP FOR VENEZUELA

I have reviewed Mike Blumenthal's memorandum and, on a preliminary basis, the broader question is whether it is desirable and feasible to waive the prohibition on GSP for certain OPEC countries, especially Venezuela.

Despite the valid objections presented in Mike's memo, I believe there are persuasive reasons to consider seriously requesting legislation permitting a grant of GSP to Venezuela and perhaps other OPEC members.

These arguments are set forth in the attached memo from Bob Strauss, and can be summarized as follows:

- o Venezuela and Ecuador did not inspire the use of oil as a political weapon against U.S. foreign policy.
- o Denial of GSP does these countries no harm since program benefits are so small but has become a Latin American symbol of an attempt by the U.S. to impose its economic will on a basically friendly country.
- o Our denial of GSP to one of the true Latin American Democracies (Venezuela) and another striving toward democracy (Ecuador) disregards the fact that nearly all other Latin American countries are military dictatorships.
- o A refusal to at least explore practical means of gaining a waiver of the OPEC prohibition for Venezuela during the Perez visit is likely to trigger substantial criticism in Latin America.

Memorandum to the President
Page Two
June 20, 1977

With respect to the EPG options, I believe President Perez is unlikely to be persuaded of this Administration's sympathy for Venezuela's problem if our answer is essentially that presented in the EPG's option #1 (oppose any change in current law on grounds that legislation is not possible at the present time). The Venezuelans are no doubt aware that:

- o The Senate adopted, with Finance Committee approval, a waiver permitting GSP for non-embargoing OPEC members in the closing days of the last Congress.
- o This same amendment did encounter considerable opposition in the House, but might be acceptable if further tightened (i.e., limited to Western Hemisphere).
- o The Venezuelan-American Chamber of Commerce has done a Congressional survey indicating that a Western Hemisphere waiver does stand a chance of passage.
- o This possibility is substantiated by private soundings of key members taken by STR, although it is clearly not certain.

EPG's option #2 (public support of a waiver of the GSP prohibition for all OPEC countries) has the following major disadvantages:

- o It not only stands no chance of passage in the foreseeable future, it is likely to increase Congressional opposition to any more limited form of waiver;
- o It could easily be seized by those anxious to embarrass the Administration in the field of energy policy. It would likely generate substantial press comment, and could not be satisfactorily defended to the American people. The Jewish community would probably be outraged, and working people (many of whom are suspicious of free trade) would find it incomprehensible that we are extending our most generous trade benefits to countries that imposed the 1973 embargo. This problem is greatly compounded by the fact that one of the reasons we are arguing a tough energy program is needed is that another embargo could be imposed at any time.

Memorandum to the President
Page Three
June 20, 1977

The NSC's proposed fallback (to curtail preferences in the event of a future embargo) does not go far enough, in my view, to meet these concerns.

I believe that neither of the above options offers hope of addressing Venezuela's concerns in a manner that is credible and that intensive exploration of three other options should be immediately pursued in high level diplomatic channels. These are:

(1) Authority for the President to waive the GSP OPEC prohibition on non-embargoing nations, when he determines that it is in the U.S. economic interest to do so.

(2) Authority for the President to waive the OPEC prohibition for Western Hemisphere nations.

(3) Flexibility for the President to waive the OPEC GSP prohibition based on the recipients willingness (past and future) to offer secure access to petroleum supplies at stable world market prices.

Before initiating extensive contacts with members of Congress, I would recommend an intensive, State Department-STR assessment of these options and possible modifications targeted for completion in advance of the Perez visit. Particular attention might be given to the advantages and disadvantages of incorporating language directed not only toward security of access to petroleum supplies, but also price stability in the interest of LDC's as well as industrialized nations.

Depending on the findings of this review, immediate Congressional soundings might be taken, or, if the access to supplies/price stability formulation is found to have merit, possibly deferred pending private consultation with Perez.

OTHER STAFF COMMENTS

ADDITIONAL STAFF COMMENTS

OMB: no preference

WATSON: concur with Blumenthal

EIZENSTAT: favors option #1 -- that you not seek any legislative changes at this time, for there is virtually no chance of favorable action by Congress.

Administration support for repeal of the exclusionary provisions would be criticized by many in Congress and in the public for: (a) helping countries whose oil policies and trade surpluses already threaten the financial stability of industrial nations; (b) indicating that the Administration has no real concern about OPEC; and (c) indicating a lack of coherence in our overall energy strategy (and possibly making it more difficult to pass the energy program through Congress).

If you do favor an exclusion, for foreign policy reasons, Stu recommends that you do so only with respect to the OPEC countries that did not embargo the U.S. in 1973.

Stu would favor option #2 only if we could announce a simultaneous benefit which we were obtaining for the benefit we were extending.

STR: believes this is a good issue to dodge at present. STR would support a Latin American initiative (Venezuela and Ecuador) if one comes along in Congress, but doesn't think the Administration should initiate it.

STR believes it would be difficult to get any waiver through Congress, although a waiver would stand a better chance of passage if limited to Venezuela and Ecuador. In a memo to the Vice President, STR states that, on balance, a case can be made for granting GSP to Venezuela and Ecuador, despite these criticisms which would be made:

- that Venezuela has been a price leader in the OPEC campaign to raise its export price of oil to the U.S.
- should Venezuela get a duty-free "bonus" while Americans are being asked to sacrifice under the President's energy program?

---Rick

THE WHITE HOUSE
WASHINGTON

Date: June 17, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat *attached*
Hamilton Jordan *NC*
Frank Moore - *House picture Opt 2*
Jack Watson *concur* *sen - NC*
Jim Schlesinger
Bob Graham

FOR INFORMATION:

The Vice President
Zbigniew Brzezinski
Bert Lance - *no preference*
Charles Schultze
Bob Lipshutz

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Sec. Blumenthal's memo 6/15/77 re Generalized
Preferences and OPEC

**YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:**

TIME: 10:00 AM

DAY: Monday

DATE: June 20, 1977

ACTION REQUESTED:

☒ Your comments
Other:

STAFF RESPONSE:

☐ I concur.
Please note other comments below:

☐ No comment.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

ACTION	FYI		
	/	MONDALE	ENROLLED BILL
		COSTANZA	AGENCY REPORT
/		EIZENSTAT	CAB DECISION
/		JORDAN	EXECUTIVE ORDER
		LIPSHUTZ	Comments due to
/		MOORE	Carp/Huron within
		POWELL	48 hours; due to
/		WATSON	Staff Secretary
			next day

/	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

	ARAGON		KRAFT
	BOURNE	/	LANCE
/	BRZEZINSKI		LINDER
	BUTLER		MITCHELL
	CARP		POSTON
	H. CARTER		PRESS
	CLOUGH		B. RAINWATER
	FALLOWS	/	SCHLESINGER
	FIRST LADY		SCHNEIDERS
	GAMMILL	/	SCHULTZE
	HARDEN		SIEGEL
	HOYT		SMITH
	HUTCHESON		STRAUSS
	JAGODA		WELLS
	KING		VOORDE

NATIONAL SECURITY COUNCIL

June 20, 1977

MEMORANDUM FOR: RICK HUTCHESON

FROM: CHRISTINE DODSON *CD*

SUBJECT: Secretary Blumenthal's Memo on
Generalized Preferences and OPEC

The NSC supports Option 2, "Publicly favor waiver authority for all OPEC countries, but not press for legislation now." This option would be politically helpful in at least putting the Administration on the right side of this issue in the eyes of the Latins and other OPEC countries. On June 17th, at the OAS Conference in Grenada, 17 Latin American countries reiterated their demand that the US eliminate the exclusionary provision, which they felt "constitutes a discrimination incompatible with the goals of inter-American cooperation."

Two minor amendments to Option 2 should be considered:

- (1) Rep. Vanik, Chairman of the Subcommittee on Trade of the Ways and Means Committee, is disturbed that he has not yet received a response from the Administration to his Western Hemisphere amendment. If Option 2 is chosen, we should be able to tell him: "We support your objective of providing GSP to Venezuela and Ecuador, but the President would like authority to designate all OPEC countries as eligible for GSP."
- (2) As a fallback option, if Option 2 meets with resistance in Congress, we should be prepared to try to obtain Congressional support for a revision of the current amendment which would bar all countries which participate in a future embargo aimed at the US from GSP eligibility.

While Option 2 puts us on the right side of this issue, we will make clear to the OPEC countries that we do not believe that Congress will legislate this revision in the near future.

44
THE WHITE HOUSE

WASHINGTON

Date: June 17, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Hamilton Jordan *NC*
Frank Moore
Jack Watson *concur*
Jim Schlesinger

FOR INFORMATION:

The Vice President
Zbigniew Brzezinski
Bert Lance *- no preference*
Charles Schultze
Bob Lipshutz

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Sec. Blumenthal's memo 6/15/77 re Generalized
Preferences and OPEC

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 10:00 AM

DAY: Monday

DATE: June 20, 1977

ACTION REQUESTED:

☒ Your comments

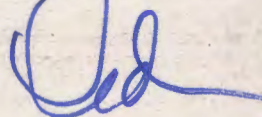
Other:

STAFF RESPONSE:

☐ I concur.

Please note other comments below:

☒ No comment.



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required

June 17, 1977

MEMORANDUM FOR RICK HUTCHESON

FROM: Gail Harrison *GH*
Office of the Vice President

SUBJECT: Memorandum from Secretary Blumenthal on Generalized
Preferences and OPEC

At the request of the President, the Vice President has been reviewing this question. He is now enroute to the West Coast and will not be returning until late Sunday. I would hope that you could put a hold on the Blumenthal memorandum until Tuesday, so that the Vice President will have a chance to go over it and put together his reaction. I have discussed this with Ernie Preeg and understand that he has no objection.

THE WHITE HOUSE

WASHINGTON

Date: June 17, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Hamilton Jordan
Frank Moore
Jack Watson
Jim Schlesinger

FOR INFORMATION:

The Vice President
1977 7/12/77 12:33
~~John W. Brzezinski~~
Bert Lance
Charles Schultze
Bob Lipshutz

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Sec. Blumenthal's memo 6/15/77 re Generalized
Preferences and OPEC

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 10:00 AM

DAY: Monday

DATE: June 20, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur. *gw*

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

THE WHITE HOUSE

WASHINGTON

343

MEMORANDUM

Date: June 17, 1977

FOR ACTION:

Stu Eizenstat
Hamilton Jordan
Frank Moore
Jack Watson
Jim Schlesinger

FOR INFORMATION:

The Vice President
Zbigniew Brzezinski
Bert Lance
Charles Schultze
Bob Lipshutz

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Sec. Blumenthal's memo 6/15/77 re Generalized
Preferences and OPEC

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 10:00 AM

DAY: ~~Monday~~ *Tues*

DATE: June 20, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.



THE SECRETARY OF THE TREASURY
WASHINGTON 20220

June 15, 1977

1977 JUN 15 PM 6 41

MEMORANDUM FOR THE PRESIDENT

FROM: W. MICHAEL BLUMENTHAL
CHAIRMAN, ECONOMIC POLICY GROUP WMB

SUBJECT: GENERALIZED PREFERENCES AND OPEC

At this week's Cabinet meeting you asked the EPG to evaluate policy options with respect to the current legislative exclusion of all OPEC members from the benefits of the Generalized Scheme of Preferences (GSP) contained in the 1974 Trade Act. As you know, we expect Venezuelan President Perez to raise this issue when he visits on June 28 and 29. In addition, several bills have been introduced in Congress to include some or all of the OPEC countries and we are under some pressure to provide an Administration response.

The previous Administration supported legislation to give the President authority to waive the exclusion for those OPEC countries (Venezuela, Ecuador, Indonesia, Iran, Nigeria and Gabon) that did not embargo the U.S. in 1973. However, the EPG believes that discriminatory selection among OPEC countries would not be advisable. Discrimination based on past oil policy would create invidious comparisons between those countries which embargoed in 1973 but have since shown price restraint, such as Saudi Arabia, and non-embargoing countries, such as Venezuela and Iran, which have been price "hawks." More limited discrimination in favor of the two Western hemisphere OPEC countries, Venezuela and Ecuador, creates the additional problem that this benefit could be given to one of the most affluent LDCs, Venezuela (per capita income of \$2,300), while it would be prohibited for poorer countries such as Indonesia and Nigeria (per capita income of \$170 and \$360 respectively).

Concerning trade implications, U.S. imports from OPEC countries in 1976 of products eligible for GSP treatment were small -- \$57.5 million. Thus there is little threat to our domestic industry if we place these countries on GSP. By the same token there is no significant negative impact on the economies of the OPEC countries because of the exclusion.

The pivotal issues therefore are foreign and domestic political considerations. The OPEC exclusion from GSP has been a major irritant in our relations with the non-embargoing countries, especially in Latin America, but, to a lesser extent, with respect to Indonesia, Iran, and Nigeria as well. However, the entire GSP program is generally unpopular in Congress and any attempt to broaden it to all OPEC countries, especially in view of our current trade deficit and OPEC's aggregate financial surplus, would meet strong Congressional opposition at this time.

OPTIONS

The EPG discussion produced two options:

1. Oppose changes in the current law which excludes OPEC from GSP.

In this case you would tell President Perez that you sympathize with the problem, but that new legislation is not possible at this time. We would respond to pending bills which include OPEC members in GSP in such a way as to minimize public comparison with the last Administration's position and thereby reduce adverse foreign policy impact.

The advantages of this approach are that it is consistent with Congressional realities, and it would avoid the risk of opening up the entire GSP program to Congressional changes. On the other hand, this policy would be seen by the non-embargoing countries as a step backwards from the previous Administration's position on more limited exclusion.

2. Publicly support a waiver provision for GSP exclusion for all OPEC countries, but not actively pursue legislation until such time as the possibility of enactment appears more feasible.

This option would help remove the political irritant in our relations with OPEC, especially Venezuela and Ecuador, and would be greeted favorably by all developing countries. State believes it might mitigate the Arabs' perception of our policies as being anti-Arab following the enactment of boycott legislation. However, we would have to explain to Venezuela and others that there is virtually no chance of passage in Congress at this time. Furthermore, Congressional support for the broader GSP program could be undermined by opening it to legislative changes. In addition, there could be the perception that we are giving benefits to countries whose oil policies are damaging our economy.

DECISION

1. Oppose changes in current law which excludes OPEC from GSP. (Treasury, Commerce, OMB, Labor, CEA and Schlesinger support.)

APPROVE _____ DISAPPROVE _____

2. Publicly favor waiver authority for all OPEC countries, but not press for legislation now. (State, NSC support.)

APPROVE _____ DISAPPROVE _____

THE WHITE HOUSE

WASHINGTON

June 20, 1977

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *SE*
SUBJECT: EPG Memorandum on GSP and OPEC

The Trade Act of 1974 excludes all members of OPEC from the benefits of GSP. I recommend that you not seek any legislative change at this time (approve Option 1 in the EPG memorandum), for the following reasons:

1. There is virtually no chance of favorable action by Congress. Accordingly, an Administration initiative in this area could be regarded as an idle gesture.
2. On the other hand, Administration support for repeal of the exclusionary provisions would be criticized by many in the Congress and public as (a) calling for the grant of trade preferences to a group of countries whose oil policies and trade surpluses are already threatening the financial stability of the industrial nations, (b) indicating that this Administration has no real concern about OPEC and does not care whether countries maintain their membership in OPEC or not, and (c) indicating a lack of coherence in our overall energy strategy. The adverse reaction could increase the difficulty of getting our domestic energy program through Congress.
3. On balance, I think the costs and risks which would be involved in this initiative outweigh the rather limited benefits.
4. If you feel, for foreign policy reasons, that you do wish to move in the direction of an exclusion, I would recommend that you do so only with respect to those OPEC countries that did not embargo the U.S. in 1973. While it is true, as the EPG memorandum

notes, that such a distinction would not take into account the actions since 1973, such a limited exclusion would remove some of the criticism for giving favored treatment to OPEC countries that are viewed as anti-American.

Therefore, while I would favor Option 1, if you feel some action is necessary I would favor the option I have just mentioned. The only circumstance under which I would favor Option 2, using a complete waiver for all OPEC countries, would be if we obtained a simultaneous benefit which we could announce publicly to indicate we were obtaining something for the benefit we were extending, in terms of price restraint or otherwise.

to sacrifice under the President's energy program

criticisms of a waiver for Venezuela:

- Venezuela has been a price leader in the OPEC campaign to raise its export price to the US of oil; should it be given a duty-free "bonus" while Americans are being asked
- from a standpoint of US-Latin American relations, the US cannot grant duty-free GSP treatment to Venezuela without also granting it to Ecuador

-

on balance, a case can be made for granting GSP to Venezuela and Ecuador despite criticisms which would be made:

- to encourage them to diversify their exports (the purpose of the GSP)

ADDITIONAL STAFF COMMENTS

OMB: no preference

Watson: concur with Blumenthal

Eizenstat: favors option #1 -- that you not seek any legislative changes at this time, for there is virtually no chance of favorable Administration action at this time.

Administration support for repeal of the exclusionary provisions would be criticized by many in the Congress and the public as (a) calling for trade preferences for countries whose oil policies and trade surpluses already threaten the financial stability of industrial nations; (b) indicating that this Administration has no real concern about OPEC; and (c) indicating a lack of coherence in our overall energy strategy (possibly increasing the difficulty of passing our energy program through Congress).

If you do favor an exclusion for foreign policy reasons, Stu recommends that you do so only with respect to the OPEC countries that did not embargo the US in 1973.

Stu would favor option #2 only if we could announce a simultaneous benefit which we were obtaining for the benefit we were extending.

STR: believes this is a good issue to dodge at present. STR would support a Latin American initiative if one comes along in Congress, but doesn't think the Administration should initiate it.

STR believes it would be difficult to get any waiver through Congress, although a waiver would stand a better chance of passage if limited to Venezuela and Ecuador.

GSP for Venezuela: Is it Feasible?

GSP might be obtained for Venezuela if the following obstacles can be overcome:

- To effectively ignore the fact that Venezuela, as a loyal OPEC member, has been a "price leader" in the OPEC campaign to raise its export price to the U.S. of crude oil and products;
- To realize, from the standpoint of U.S.-Latin American relations in the context of Mrs. Carter's recent trip, that the U.S. cannot grant duty-free GSP treatment to Venezuela, without also granting it to the other Latin American excludee -- Ecuador;
- To assess, in light of the sacrifices by the American people which the President's energy program asks, whether the Congress would approve a duty-free "bonus" to the exports of a country which has contributed to our oil price cost increase;
- To recognize that in the U.S. Congress there are numerous liberal traders such as Sam Gibbons of Florida (House Ways and Means Committee) who feel deeply that GSP authorization was a terrible legislative mistake, which works to destroy the basic "free trade" principles of non-discrimination and unconditional Most-Favored Nation treatment which underpin our world trading system and the GATT;
- To understand that Venezuela itself, because of nationalizations of American investment enterprises; and Ecuador, because of its seizures of American fishing vessels, may be morally and politically, if not legally, without a legitimate claim to GSP.

Against these towering obstacles are some equally persuasive arguments to the contrary:

- Venezuela and Ecuador are not the instigators of the Middle-Eastern inspired use of oil as a political weapon against American foreign policy. To the contrary, these countries are

far more in the "Western Camp" -- and are perceived by even the most conservative political elements in Congress as being far more "on our side" than such equally non-embargoing nations as Nigeria (next to Saudi Arabia and Venezuela, our largest crude petroleum supplier), Indonesia, Iran, and Gabon;

--Our denial of GSP to all these countries does them no economic harm, because their benefits under the program would be very small;

--But, our denial of GSP to Venezuela and Ecuador has become a Latin American symbol of our "economic aggression" toward basically friendly countries which do not kow-tow to our every "imperialistic" whim, and --worse-- a denial of the sovereign right of our allies to adopt economic policies in their own enlightened self-interest;

--Our continued denial of GSP to one of the true Latin democracies (Venezuela) and another friendly country striving for democracy (Ecuador) argues that we are totally politically insensitive to the fact that all other Latin countries, save Colombia and Mexico, are basically military dictatorships;

--And, finally, that all other Latin nations have sided with Ecuador and Venezuela in denouncing our denial of GSP to them as an indication of our national indifference to Latin America, and a basic reason for deteriorating North-South relations in the Western Hemisphere, despite "the spirit of Tlateloco", Kissinger's "special relationship" with Latin America, President Carter's pro-Latin statements in the campaign and the White House, and Mrs. Carter's Latin tour.

Given this balance of pros and cons, a legitimate, rational case can be made for granting GSP to Venezuela and Ecuador, on several political and economic grounds:

1. The purpose of GSP is to encourage developing countries to diversify their exports. Ecuador and Venezuela are in a unique economic position to take advantage of this incentive, whereas Iran, Indonesia, Nigeria, and Gabon (the other non-embargoers) are not.

2. There would be heavier political opposition on Capitol Hill to "doing something" for Iran, Indonesia, Nigeria, and Gabon than there would for two historic, democratic hemisphere allies.
3. The U.S. business community in these two countries is solidly in support of a grant of GSP and, in fact, is heavily lobbying for it.
4. Considerable Senate and House intelligence points toward the conclusion that influential Finance and Ways and Means members -- such as Senators Long, Benton, (plus non-members Kennedy and Chiles, perhaps Cranston, and others), Ullman, Vanik (plus possibly Steiger, Conable, and others) -- would go for an expanded Latin American GSP designation, whereas they would not support GSP for other nations, particularly OPEC members.

Background

The Trade Act of 1974 was finally shaped and passed by the Senate late that year against a backdrop of the Arab oil embargo, general U.S. disillusionment with LDC demands, the gas-line energy crisis, resentment of rising energy costs, and new concern over the issue of American "supply access" to critical raw materials.

In its mark-up of the law, the Senate Finance Committee--including Senators Ribicoff and Mondale--argued against GSP for any OPEC member, or any other country belonging to a "cartel" which froze world supplies or jacked up prices.

Techniques to Accomplish the Objective

There are not many. Administratively, U.S. Executive Branch lawyers, with Hill concurrence, studied ways in which the OPEC GSP exclusion in the Trade Act [Sec. 502 (B) (2)] might be "corrected." Only one way was found -- to interpret the exclusion as prospective, that is, applying to countries which withheld supplies or charged unreasonable prices in the future.

This interpretation was discarded by Government and Congressional counsel as too transparent a distortion of the intent of Congress.

It was generally agreed that an amendment to 502(b)(2) was the only practical solution.

At the Ford Administration's request a bi-partisan sponsored bill was introduced by Representative Green, Chairman of the House Trade Subcommittee, early in 1975. This legislation would have granted the President authority to waive the OPEC exclusion for non-embargoing members. At hearings before the Subcommittee, considerable opposition to the bill was registered by members, on grounds similar to those stated above at the beginning of this report.

Consequently, the Subcommittee quietly shelved the Green bill, and never reported it out.

Meanwhile, Senators Bentsen and Kennedy attempted, with Senate Finance Committee approval, to have a similar waiver attached as a Senate amendment to a minor tax or tariff bill. This was finally done in the closing hours of the 94th Congress in 1976, but the bill was not approved by both Houses.

It is unlikely that a waiver bill on its own could pass the House, for reasons stated above.

It is possible, however, that a waiver could be attached as a rider to another bill, although Senate Majority Leader Byrd has asked that this tactic not be used during the current session with respect to any extraneous legislation.

The waiver could permit the President, in the national economic interest, to waive the OPEC GSP exclusion for all OPEC members, for non-embargoing members, or for certain members -- e.g., Venezuela and Ecuador.

Such a waiver would stand better chance of passage if it were limited to Venezuela and Ecuador, although picking and choosing among OPEC countries would be denounced abroad as being even more discriminatory than the current exclusion.

STR: JCLD
June 14, 1977

THE WHITE HOUSE

WASHINGTON

Date: June 17, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Hamilton Jordan
Frank Moore
Jack Watson
Jim Schlesinger

FOR INFORMATION:

The Vice President
Zbigniew Brzezinski
Bert Lance
Charles Schultze
Bob Lipshutz

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Sec. Blumenthal's memo 6/15/77 re Generalized
Preferences and OPEC

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 10:00 AM

DAY: Monday

DATE: June 20, 1977

ACTION REQUESTED:

☒ Your comments
Other:

STAFF RESPONSE:

☒ I concur.
Please note other comments below:

☐ No comment.

James R. Schlesinger

6/22

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required

THE WHITE HOUSE

WASHINGTON

Date: June 22, 1977

MEMORANDUM

FOR ACTION:

Tim Kraft *excellent idea & will be considered next year*
Fran Voorde - *doesn't think the President needs to see it & will be*
considered next year - no more
considerations this year.

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: King memo 6/22/77 re Commencement Speaking;
Community Colleges/Vocational Schools

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 4:00 PM

DAY: Friday

DATE: June 24, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

File
memo
not
submitted

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

48
6/2

ACTION
FYI

<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
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<input type="checkbox"/>	HOYT
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<input type="checkbox"/>	JAGODA
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<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input checked="" type="checkbox"/>	VOORDE

MEMORANDUM

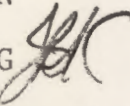
THE WHITE HOUSE

WASHINGTON

June 22, 1977

MEMORANDUM FOR THE PRESIDENT

VIA: RICK HUTCHESON

FROM: JAMES B. KING 

SUBJECT: Commencement Speaking; Community Colleges/
Vocational Schools

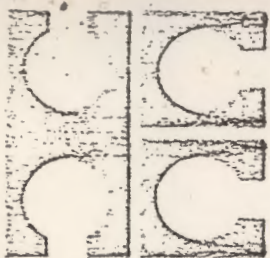
I would like to recommend as you are reviewing invitations for commencements that you consider both community colleges and vocational schools. Reasons for accepting:

I. Community College Commencements

- A. Community Colleges represent over one-half of all enrolled higher education students in the United States.
- B. Community Colleges are symbols in almost every state of offering the best education at the lowest possible cost and usually withing commuting distance so that students may live at home.
- C. Community Colleges are quite often the college of the "common man".

II. Vocational College Commencements

- A. Most of the students graduating will not be going onto higher education per se.
- B. They often make up the backbone of the skilled workers in a given community.
- C. The attendees of these schools are often looked down upon by their peers attending other schools and the folks in the Vocational Schools know it. Any recognition given to this vital educational component is generally deeply appreciated by everyone involved.



The Commonwealth of Massachusetts

HOLYOKE COMMUNITY COLLEGE

303 Homestead Avenue

Holyoke, Massachusetts 01040

TELEPHONE: 538-7000

OFFICE OF THE PRESIDENT

May 31, 1977

Mr. James B. King
Special Assistant to the President for Personnel
The White House
Washington, D. C.

Re: President commencement speeches.

Dear Mr. King:

I know the idea sounds crazy, but perhaps the President, for a number of reasons listed below, might consider in June of 1978 staying away from Harvard, Yale, Stamford and agree to speak at a community college commencement, and of course, if he does, the only place he would do it would be at Holyoke, Massachusetts.

Reasons for accepting a community college commencement are as follows:

- 1) Community colleges represent over one half of all the enrolled students in the United States.
- 2) Community colleges are symbols in almost every state of offering quality education at lowest possible cost and within commuting distance so students may live at home. What I am not saying very clearly is that, "Community colleges are the college of the common man."

If this idea has merit, we would develop more information. If this does not make sense to you, kindly deposit entire contents in a waste basket.

Sincerely,

David M. Bartley
President

DMB:mer

P.S. Some practicalities:

- 1) Commencement is usually the first week in June.
- 2) Westover Air Force Base is 10 minutes auto travel time from the college.
- 3) Although the college is in Holyoke, its physical location is in a rural setting where security presents little or no problem.

THE WHITE HOUSE

WASHINGTON

Date: June 22, 1977

MEMORANDUM

FOR ACTION:

Tim Kraft
Fran Voorde

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: King memo 6/22/77 re Commencement Speaking;
Community Colleges/Vocational Schools

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 4:00 PM

DAY: Friday

DATE: June 24, 1977

ACTION REQUESTED:

☒ Your comments

Other:

Rick - I don't think the President needs to see this. Jim's suggestions are worthy of consideration when the proper time rolls around in 1978 - no more commencements this year --- I've kept a copy of Jim's memo for our future files. No comment.

STAFF RESPONSE: year --- I concur.
Please note other comments below:

thanks .

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

THE WHITE HOUSE

WASHINGTON

June 22, 1977

The Vice President
Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jody Powell
Jack Watson
Hugh Carter
Richard Harden
Bert Lance
Jim Schlesinger
Tim Kraft

Re: Energy Hotline

The attached was returned in the President's
outbox and is forwarded to you for your
information and appropriate action.

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

ACTION	FYI
<input type="checkbox"/>	<input checked="" type="checkbox"/> MONDALE
<input type="checkbox"/>	<input checked="" type="checkbox"/> COSTANZA
<input type="checkbox"/>	<input checked="" type="checkbox"/> EIZENSTAT
<input type="checkbox"/>	<input checked="" type="checkbox"/> JORDAN
<input type="checkbox"/>	<input type="checkbox"/> LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/> MOORE
<input type="checkbox"/>	<input checked="" type="checkbox"/> POWELL
<input type="checkbox"/>	<input checked="" type="checkbox"/> WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input checked="" type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input checked="" type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input checked="" type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input checked="" type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

THE WHITE HOUSE
WASHINGTON

Mr. President:

Lance, Eizenstat, and
Hugh Carter concur.
Hugh says that his "comments"
staff can help.

Richard Harden suggests
using some of the 55
detailees already assigned
to the energy program.

Rick

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 21, 1977

*ok if you
all insist
J.C.*

MEMORANDUM FOR THE PRESIDENT

FROM: MIDGE COSTANZA *MC*
JIM SCHLESINGER *JS*
HAMILTON JORDAN *HJ*
JODY POWELL *JP*

SUBJECT: ENERGY HOTLINE

There are a number of pressing arguments for establishing a National Energy "Hotline" in the Old Executive Office Building as soon as possible.

- ° Some citizens are confused about the details of the National Energy Plan. The efforts of various special interests to misrepresent Administration energy proposals is adding to the confusion. At the same time, polls show that the American public is becoming more alarmed about the energy situation and wants the facts.
- ° The DOE is about to become a reality but, until then, various government agencies with energy responsibilities are not always speaking with unanimity. Therefore the public occasionally receives conflicting signals.
- ° A well motivated public is essential to the success of the Energy Plan. If citizens know someone is listening, someone cares, they will become involved. The hotline can be a communications point of last resort for every American.

Until we have a unified Department of Energy, it is important that the Administration speak with one voice on energy policy. In preparation for this project, we have drawn knowledgeable personnel from eight different government agencies. We have been pleasantly surprised by the high calibre and enthusiasm of the volunteers. The average grade level of our potential detailees has been GS-14. This kind of broad based interagency group can demonstrate

both to the public and the bureaucracy that the government is starting to address all facets of the energy problem with unanimity.

By making this a Presidential hotline, and by ensuring that every person who calls with a question will get an accurate knowledgable answer, we will accomplish two objectives: (a) demonstrate that the President is interested in their problems concerning energy and that you want their feedback; (b) make it apparent that the buck truly stops here, and that they will not be referred all over the government before getting an answer to their questions. We would suggest that from time to time you personally go over to the EOB and answer some of the calls.

As to the cost of the project, we would point out the hundreds of thousands of dollars which the oil companies have been spending to get their particular point of view across to the public. We have the opportunity here to spend a minimum amount of money for a maximum amount of publicity. The only direct costs will be for telephone lines and furniture. All personnel will be on temporary detail from government agencies. Cost: \$37,505 for 60 days.

THE WHITE HOUSE

WASHINGTON

Date: June 21, 1977

Kitty
MEMORANDUM

FOR ACTION:

Stu Eizenstat

Jack Watson

Richard Harden *attached*

Bert Lance *concur*

H Carter - concur; also, "comments" shown can help

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Costanza/Schlesinger/Jordan/Powell memo 6/21/77
re Energy Hotline

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE

DAY:

TURNAROUND

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*ready to go in
as soon as we
get H. Carter's
comment*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE
WASHINGTON

ACTION	FYI		
<input checked="" type="checkbox"/>		MONDALE	<input type="checkbox"/> ENROLLED BILL
<input type="checkbox"/>		COSTANZA	<input type="checkbox"/> AGENCY REPORT
<input checked="" type="checkbox"/>		EIZENSTAT	<input type="checkbox"/> CAB DECISION
<input type="checkbox"/>		JORDAN	<input type="checkbox"/> EXECUTIVE ORDER
<input type="checkbox"/>		LIPSHUTZ	Comments due to
<input type="checkbox"/>		MOORE	Carp/Huron within
<input type="checkbox"/>		POWELL	48 hours; due to
<input checked="" type="checkbox"/>		WATSON	Staff Secretary
			next day

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input checked="" type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON	<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	BOURNE	<input checked="" type="checkbox"/>	LANCE
<input type="checkbox"/>	BRZEZINSKI	<input type="checkbox"/>	LINDER
<input type="checkbox"/>	BUTLER	<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	CARP	<input type="checkbox"/>	POSTON
<input type="checkbox"/>	H. CARTER	<input type="checkbox"/>	PRESS
<input type="checkbox"/>	CLOUGH	<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	FALLOWS	<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	FIRST LADY	<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	GAMMILL	<input type="checkbox"/>	SCHULTZE
<input checked="" type="checkbox"/>	HARDEN	<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	HOYT	<input type="checkbox"/>	SMITH
<input type="checkbox"/>	HUTCHESON	<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	JAGODA	<input type="checkbox"/>	WELLS
<input type="checkbox"/>	KING	<input type="checkbox"/>	VOORDE

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

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JIM SCHLESINGER *(X)*
HAMILTON JORDAN *HJ*
JODY POWELL *JP*

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(41)
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THE WHITE HOUSE

WASHINGTON

Date: June 21, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Richard Harden
Bert Lance

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Costanza/Schlesinger/Jordan/Powell memo
re Energy Hotline

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE

DAY:

TURNAROUND

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.☐ No comment.

Please note other comments below:

*Why can't we use some of the
SS- detailees who are already
assigned to the energy project.
Richard*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required

THE WHITE HOUSE

WASHINGTON

Date: June 21, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Richard Harden
Bert Lance

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Costanza/Schlesinger/Jordan/Powell memo
re Energy Hotline

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TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE

DAY:

TURNAROUND

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

6/22/77

Please note other comments below:

Good idea! It may be possible to use the present comment line section to help with this. They are all volunteers and may not be the energy experts needed but they are available if they can help. Also the present comment line facilities may also be helpful if needed. Hugh Carter

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

THE WHITE HOUSE

WASHINGTON

Date: June 21, 1977

RECEIVED
JUN 21 4 54 PM '77
OFFICE OF THE VICE PRESIDENT
MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Richard Harden
Bert Lance

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Costanza/Schlesinger/Jordan/Powell memo
re Energy Hotline

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TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE

DAY:

TURNAROUND

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required

THE WHITE HOUSE

WASHINGTON

Date: June 21, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jack Watson
Richard Harden
Bert Lance

FOR INFORMATION:

The Vice President

1977 JUN 21 PM 4 57

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Costanza/Schlesinger/Jordan/Powell memo
re Energy Hotline

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME:

IMMEDIATE

DAY:

TURNAROUND

DATE:

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☒ I concur.☐ No comment.

Please note other comments below:

The Schlesinger folks have
overcome my initial doubts
and I trust their judgment
that the hotline is needed
and will work. ju

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

C
/

June 22, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *HJ*

SUBJECT: NRC - Peter Bradford
Meeting June 23, 11:45, Oval Office

When the subject of the 3rd vacancy on the Nuclear Regulatory Commission came up, you indicated you wanted someone acceptable to the environmentalists. We gave you a list and you asked us to bring in Mr. Bradford for a brief visit.

He was clearly the best candidate on the list, considered first rate by Doug Costle, with a high rating by Charles Warren, and was high on Frank Press' list.

Jim Schlesinger has not yet had the chance to interview him, but generally has no objection. He thinks you should investigate whether Bradford's attitudes on nuclear power are consistent with those of the Administration. Our reports is that he is "balanced" and would be fair to both sides. You should be aware we are getting opposition from a variety of sources to your previous nominations of Hendrie and Hansen, so Bradford would help soften some of the criticism. You need not raise the Chairmanship question at this meeting, but Bradford is clearly the best choice as Chairman from people who are knowledgeable, such as Frank Press, individuals in the NRC itself, Charles Warren, and Eliot Cutler.

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

June 10, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *HJ*

SUBJECT: NUCLEAR REGULATORY COMMISSION

As of June 30th, we have a vacancy to fill on the Nuclear Regulatory Commission. On May 2nd, when you approved Jim Schlesinger's recommendations of Joseph Hendrie and Kent Hansen (copy attached) you indicated the June appointment "must be ok with environmentalists."

We have after a long search identified five candidates: Peter Bradford, Main Public Utilities Commission; Marvin Lieberman, Chairman, Illinois Commerce Commission; Abram Chayes, lawyer from Cambridge, Mass.; Don Allen, President of Yankee Atomic Electric; and David Sive, "environmental lawyer" from New York. Bios and commentary are attached in Tabs A to E. All were reviewed with Charles Warren of CEQ. Clearly the best candidate to emerge is Peter Bradford who is considered first-rate by Doug Costle and gets a good rating from Charles Warren. He is Frank Press's first choice.

A second issue we must face is designation of the Chairman. Jim Schlesinger's choice for Chairman is Joseph Hendrie, a Republican. Frank Press recommends Peter Bradford. Bradford has a proven record as a manager; Hendrie is reported by Press and sources in the NRC itself to be "uninterested in management aspects." Your choice is therefore is to pick a Republican who is favored by Jim Schlesinger but opposed by Frank Press and others familiar with the NRC, or a Democrat who is favored by Press and others familiar with the NRC, but who would not be Schlesinger's choice. None of the other commissioners on NRC are considered suitable for the chairmanship.

Attachments

- 1-May 2 memo
- 2-Bios & comments (Tabs A-E)
- 3-Summary

*WHATEVER YOUR INCLINATION OR
DECISION, YOU PROBABLY SHOULD
TALK WITH JIM ABOUT THIS.*

HJ.

SUMMARY

NRC is a commission which needs good leadership. Because the present chairman, Marcus Rowden, will resign on June 30th, we need not only to name a new member, but a new chairman.

ACTION:

Approve Bradford ✓

Approve Other Candidate _____

Give Me more Candidates _____

Other _____,

*Let me see
him briefly -*

For Chairman:

Approve Bradford _____

Approve Hendrie _____

Need More Information _____

Other _____